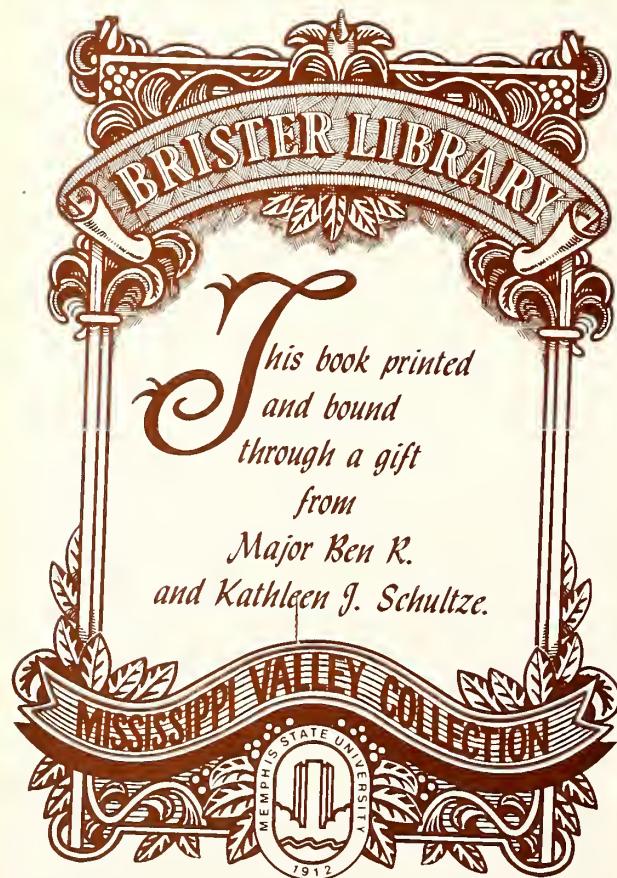


ORAL HISTORY OF THE TENNESSEE VALLEY AUTHORITY
INTERVIEWS WITH
WILLIAM SUTHERLAND

BY - CHARLES W. CRAWFORD
TRANSCRIBER - ELIZABETH SHELTON
ORAL HISTORY RESEARCH OFFICE
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ORAL HISTORY OF THE TENNESSEE VALLEY AUTHORITY

INTERVIEWS WITH WILLIAM SUTHERLAND

JUNE 9, 1973

BY CHARLES W. CRAWFORD

TRANSCRIBER - ELIZABETH SHELTON

ORAL HISTORY RESEARCH OFFICE

MEMPHIS STATE UNIVERSITY

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That the material in these interviews
shall not be used until after
the death of Mr. William A. Sutherland
and all members of the original Board
of Directors of the Tennessee Valley Authority
without the written consent
of Mr. Sutherland.

PLACE Washington, D.C.

DATE June 9, 1973

W. Sutherland
(Interviewee)

Charles W. Crawford

(For the Mississippi Valley Archives
of the John Willard Brister Library
of Memphis State University)

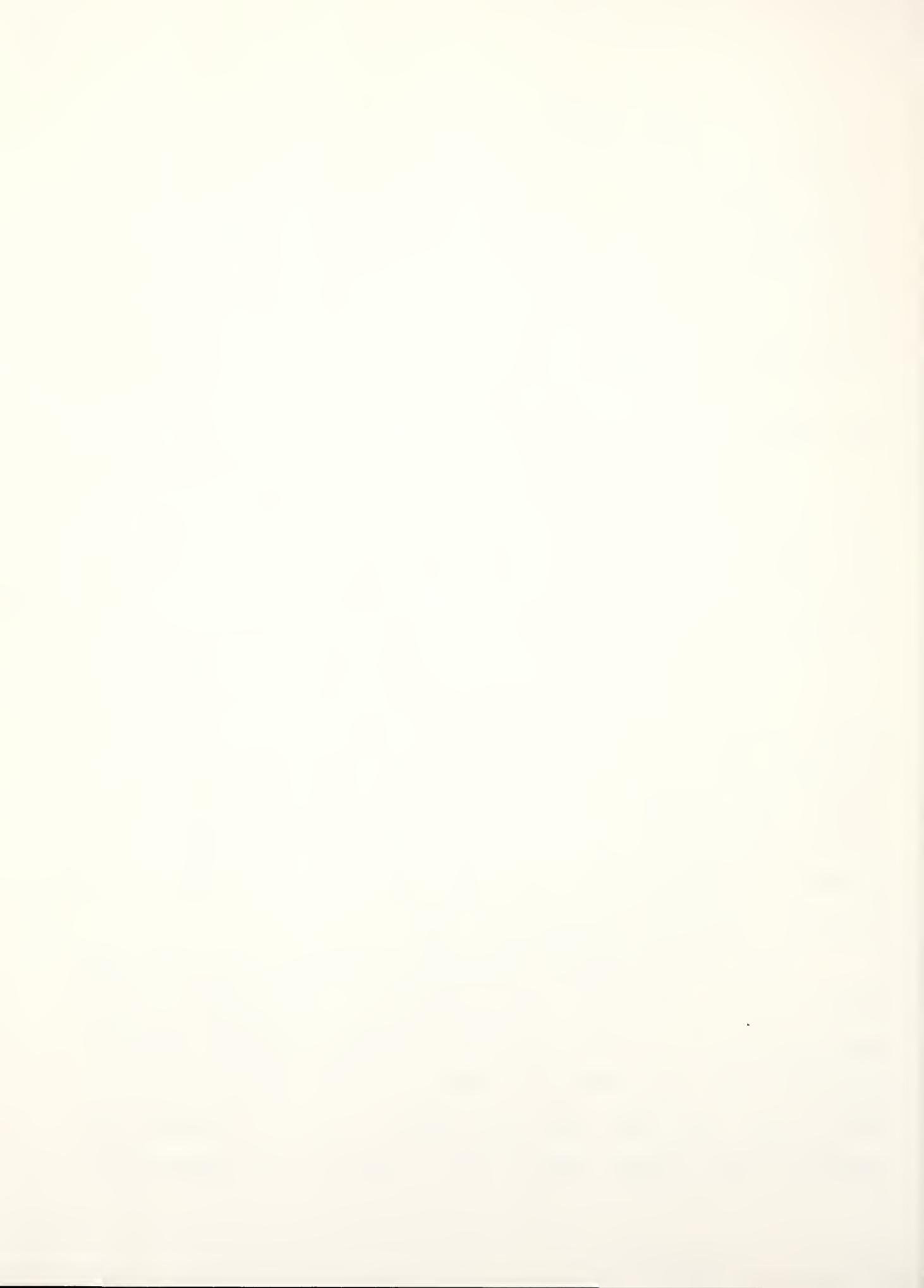


THIS IS THE ORAL HISTORY RESEARCH OFFICE OF MEMPHIS STATE UNIVERSITY. THE PROJECT IS AN ORAL HISTORY OF THE TENNESSEE VALLEY AUTHORITY. THE DATE IS JUNE 9, 1973. THE PLACE IS WASHINGTON, D.C. THE INTERVIEW IS WITH MR. WILLIAM A. SUTHERLAND. THE INTERVIEW IS BY DR. CHARLES W. CRAWFORD, DIRECTOR OF THE MEMPHIS STATE UNIVERSITY ORAL HISTORY RESEARCH OFFICE. TRANSCRIBED BY ELIZABETH SHELTON. INTERVIEW I.

DR. CRAWFORD: Mr. Sutherland, I suggest we start by getting some background information about you. We might get a brief biography starting with the time and place of your birth, any information about your family you want, and then proceeding through your career and education up to 1933.

SUTHERLAND: Well, I was born in Coweta County, Georgia, on the same farm where my mother was born in 1896. My people moved to Florida, my father went into the turpentine business down there, and I was about four years old. I spent most of my life through my time at law school in Florida--a good deal of it in my younger days on lumber and turpentine camps--mostly, though, in Jacksonville. For eight years before I finished law school, I considered Jacksonville home.

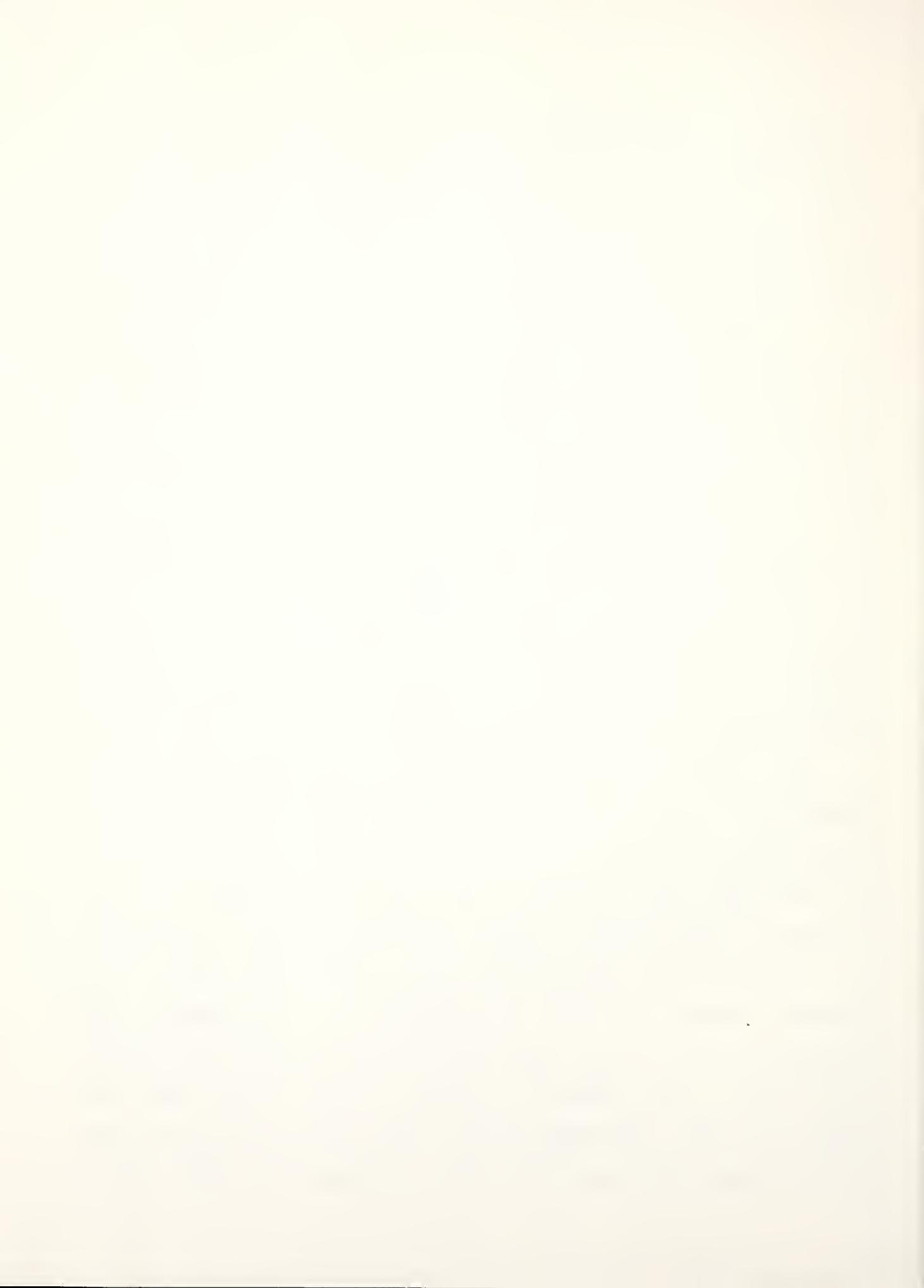
I had had very little preliminary education. My people had moved around a great deal, and I was not in good health, and I'd had practically no formal schooling. I had an excellent governess once for about four months who taught me how to study, and then I had a tutor for about two years before I went to college--just before I was fifteen years old. I was in the University of



Florida for a year at Gainesville. At that time there were about 350 students there. I had the next two years at the University of Virginia, where I graduated A.B. in 1914 and then went to Harvard Law School, where I graduated in 1917, just a few months before I was 21 years old.

I tried to get in the First Officer's training camp and was too young. I finally got into the Second Officer's training camp for a few days and was discharged because of health and was not in the Army anymore during the first World War and was never in the service any further. I was under Justice Brandeis in October 1917 as his law clerk and was with him until the end of the October 1918 term, after which I was with the Federal Trade Commission as an attorney and examiner for about fifteen months. I went to Atlanta, Georgia, to practice law alone just at the beginning of 1921 and continued to live in Atlanta from that time on and am still legally a resident there.

Our present firm was started in 1924, and in 1937 we established a branch office in Washington with a secretary and a young lawyer. We couldn't have a young lawyer here during the war and kept the secretary. We had a very young firm and everybody, except Brennan and me, was gone for most of the period of the war. After the war was over, I was just about to be elected chairman of the tax section of the American Bar Association, and it was obvious that we had to have a real office here. Some of the younger men wanted to come up and open this office, and Mrs. Sutherland agreed that she would come with me, and we moved here--sold our home in Atlanta--and moved into a

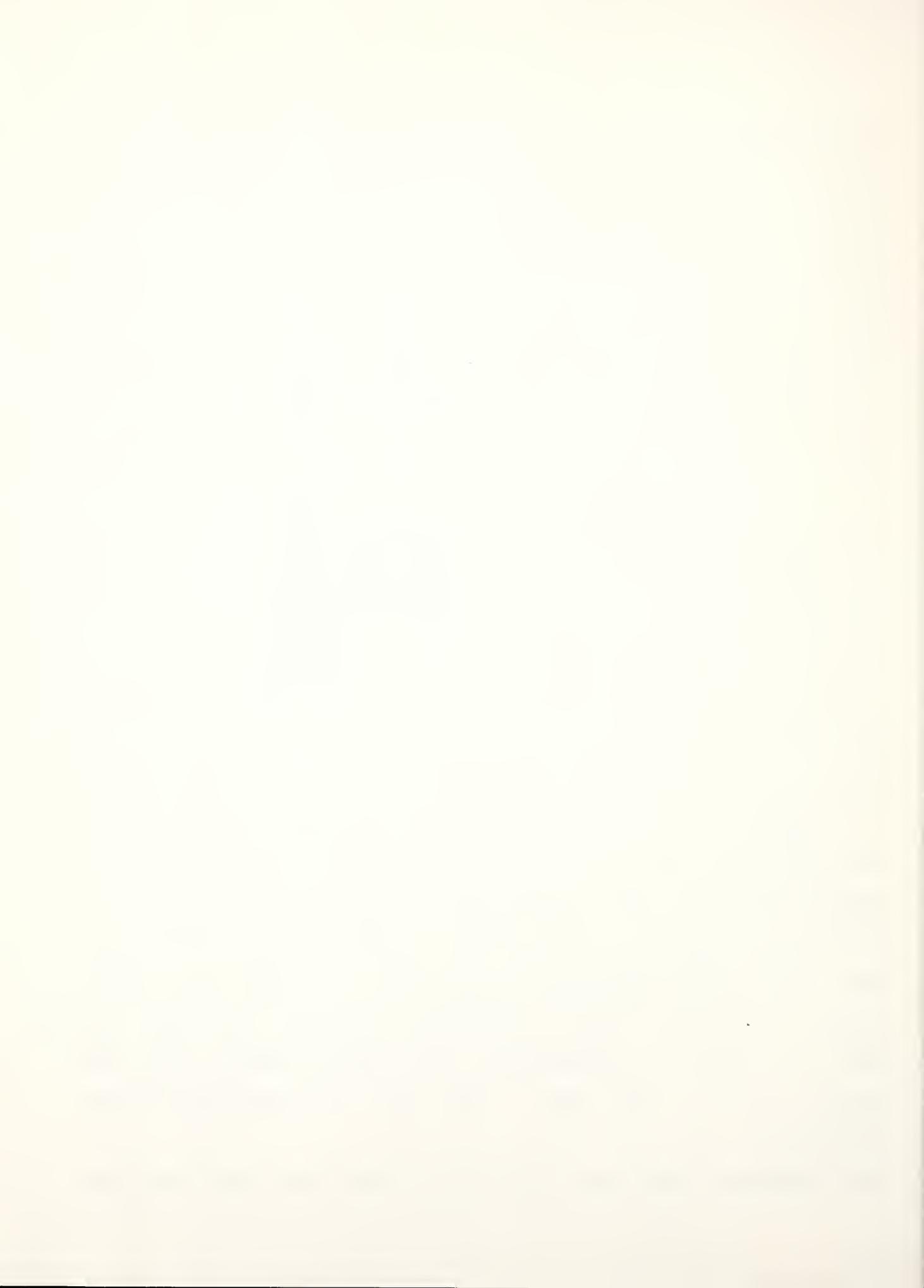


hotel apartment here. That was in September of 1946. We rented out our present apartment, which is number 27 at 2101 Connecticut, moved our furniture here in February of 1948, and we've lived there ever since. I keep my legal residence in Atlanta, and the District of Columbia gives me credit for the taxes I pay there as being due at the place of my residence. I keep a small occupant apartment there where Mrs. Sutherland and I can be comfortable and so that in moving back and forth between the two offices, I don't have to bother with packing clothes.

I practiced alone in Atlanta for two years and a half, or so, and then was joined by Tuttle who admired my sister and then had gone back to study law so we could practice together. He is now the retired judge on the Fifth Circuit Court of Appeals, and we formed the partnership in 1924, which continued until he came to the government as General Counsel of the Treasury in 1952. From there he went on the bench and never came back to the firm. He and I practiced from the time the firm was formed in '24.

Brennan, who continues with us to today, came with us in '28. He and Tuttle and I were practicing together when I was made General Solicitor for the Tennessee Valley Authority in 1933--August as I recall it. I was actually head of the law department, and the man who succeeded me was given the title of General Counsel instead of General Solicitor. Lilienthal had found out that he couldn't be Commissioner and General Counsel. And that takes me up to the time I went with the Tennessee Valley Authority.

DR. CRAWFORD: Thank you, sir. Let me check a few items along the



way, and then I'll ask you a few questions about TVA. When did you move from Georgia to Florida?

SUTHERLAND: My people went to Florida in 1901.

DR. CRAWFORD: And your father was in the turpentine business?

SUTHERLAND: Lumber and turpentine.

DR. CRAWFORD: And you were living in Jacksonville?

SUTHERLAND: No, I was living in the lumber and turpentine camps in the early days and was living in Jacksonville permanently from the fall of 1909 until my father died in November 1970.

DR. CRAWFORD: I haven't been to Jacksonville recently, but I suppose it was a much smaller town then.

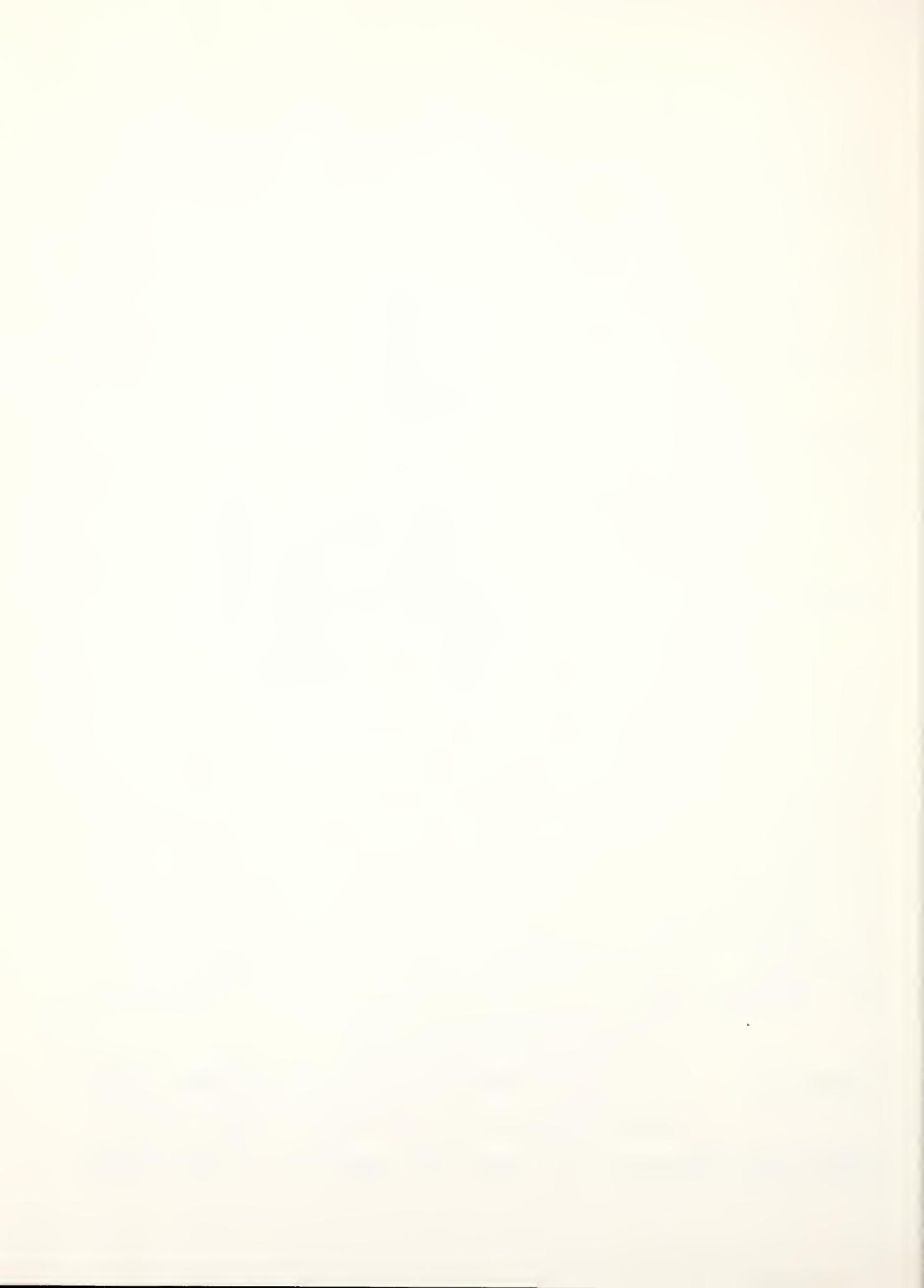
SUTHERLAND: Oh, it was a very much smaller town. When we first moved to Florida, we were on a turpentine camp about twenty miles west of Jacksonville and could see the fire that destroyed a large part of Jacksonville. I think that was just a few months after we moved down there. I think that was in 1901 when they had the bad fire in Jacksonville, which had the same effect on Jacksonville that fires generally seem to have--it put new life in it.

DR. CRAWFORD: Like the Chicago fire did for the city there.

SUTHERLAND: I very much enjoyed my time in the country.

DR. CRAWFORD: What did you study at the University of Florida and at the University of Virginia?

SUTHERLAND: I was just in various subjects and academic fields. The only thing that ever caused me any trouble in school was languages, and I spent the larger part of my studying



time studying Latin and Greek without any results except to get through the courses with fairly honorable marks and get out of school. But I didn't have to study other things very much.

DR. CRAWFORD: When did you start planning to go to law school?

SUTHERLAND: I never had any idea of doing anything else. My father had always been sorry he had not been a lawyer, but he had no basic education. Although he read so much, he had a vocabulary that would make the average college professor ashamed of himself. But he never had the opportunity economically or otherwise to devote himself to law. Old Mammy Nurse told me that when he took her in to see me when I was two days old he said, "Mammy, there's my lawyer!" There was no effort to push me into law; I just never had any idea of doing anything else.

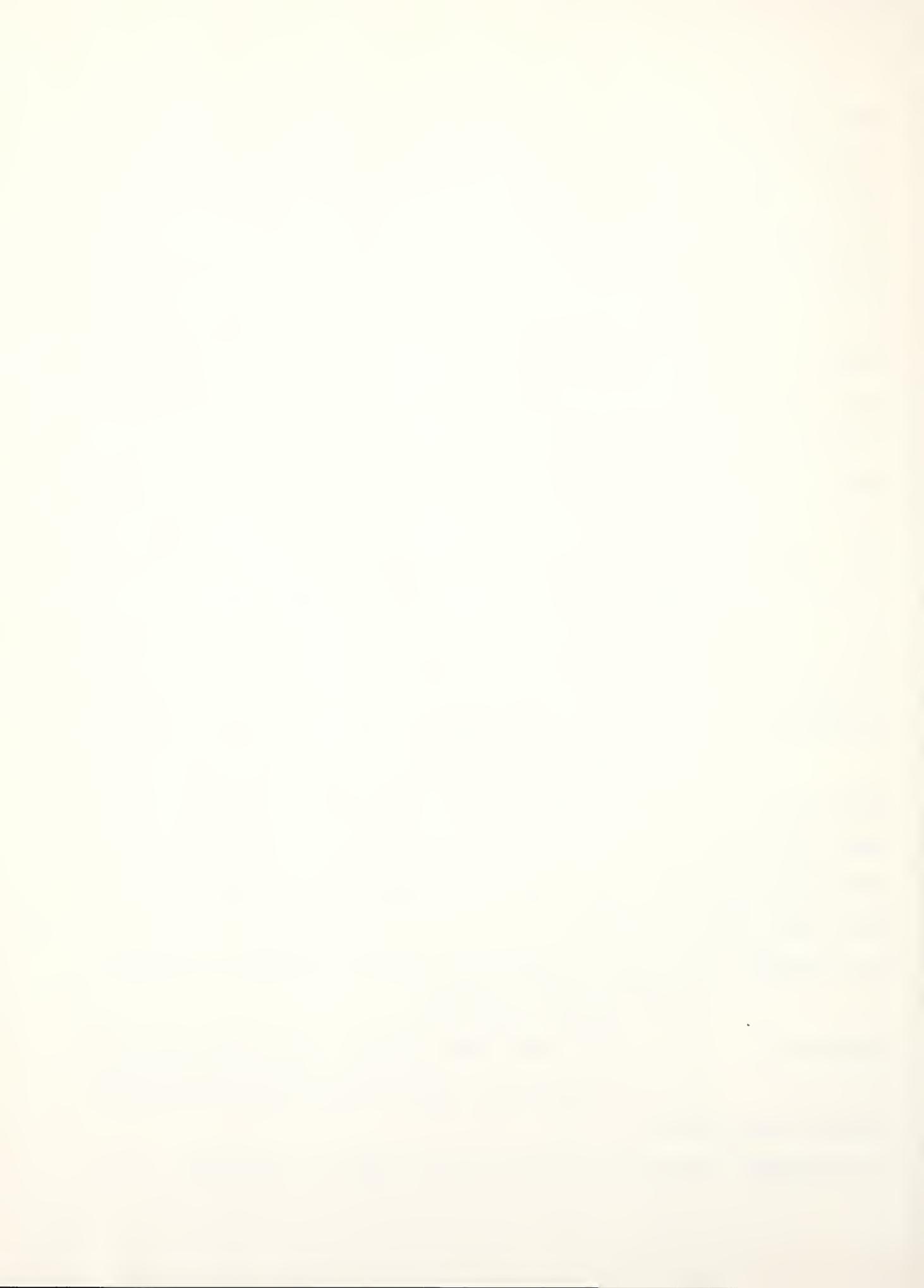
DR. CRAWFORD: Why did you decide to go to Harvard Law School?

SUTHERLAND: Well, it was my father. While he didn't have any formal education, he knew a lot about the way the world runs, and he just knew that Harvard had a reputation that gave you entree into places all over the world. You would have difficulty getting in any other as simple way as that, and he urged that I go to Harvard.

DR. CRAWFORD: You had no difficulty getting admitted, I suppose, from Virginia to Harvard?

SUTHERLAND: Oh no. At that time, anybody who had graduated with a creditable record would have no trouble getting into Harvard.

DR. CRAWFORD: Under what people did you study at Harvard?



SUTHERLAND: Well, I studied under Pound, Whitherston, Beale, Frankfurter, the two Warrens, and Wambole, and just a great group of people. I found friendships there that have meant a great deal to me through my life. My class graduated on the hundredth anniversary of the founding of the Harvard Law School, and we called ourselves the Centurions. I guess that our class has probably remained closer together than any class that has ever graduated Harvard Law School. I think the war was partially responsible--the fact that we got out just at the beginning of the war.

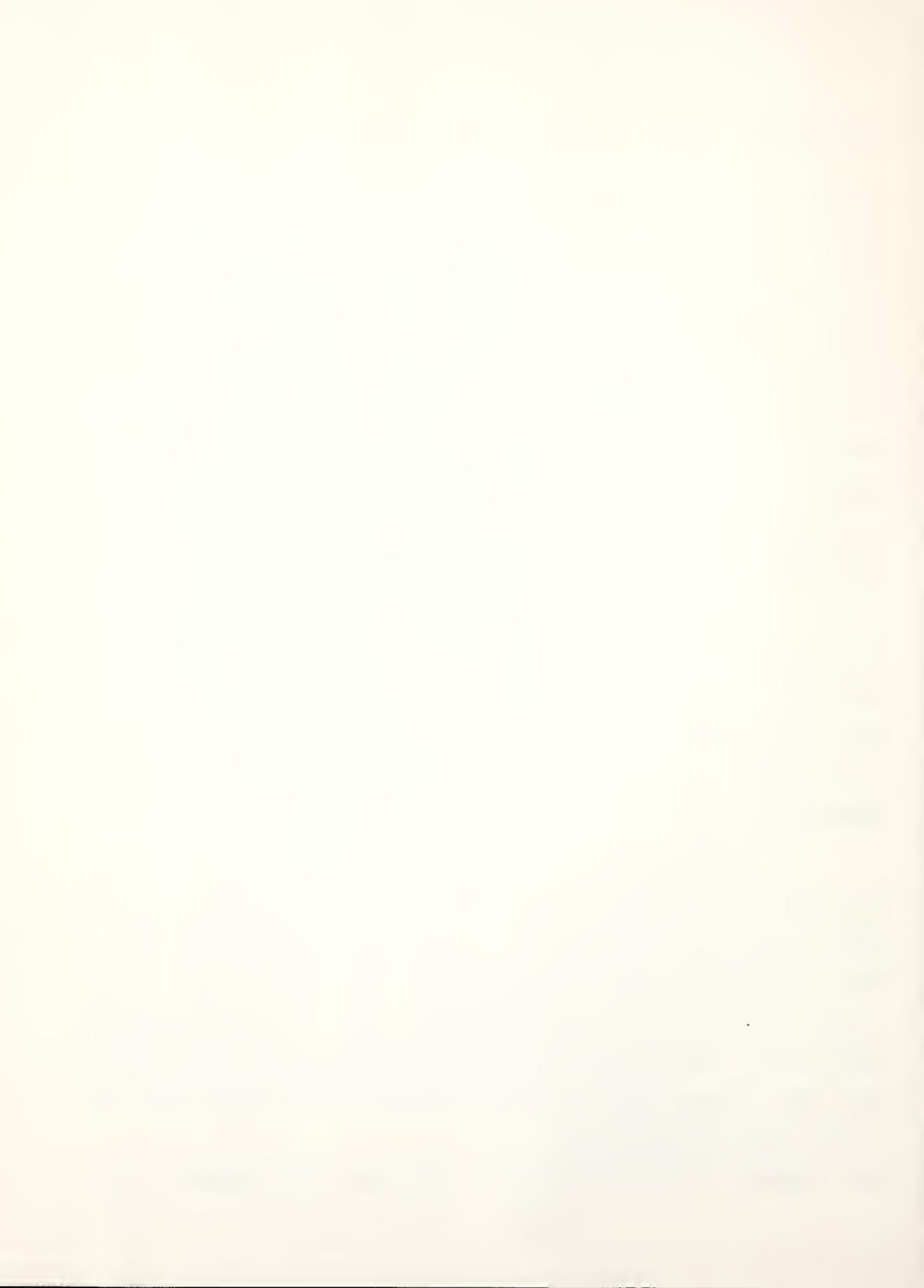
DR. CRAWFORD: Nineteen-seventeen was when you graduated.

SUTHERLAND: And we had two or three people in the class who had a great deal of spirit and a great deal of ability to keep things going. We've had, I guess for the last 85 years, we've had an annual dinner of the class. At the last one there were only 12 people there, but we've had as many as 40 or 45.

DR. CRAWFORD: You go back to Harvard then?

SUTHERLAND: No, we go back to New York. Well, it's usually been in New York because that's an easier place for it. There are so many of our people in New York, and it's an easier place for people to get to--some real interesting people. That's Joel Walsh over there of Army-McCarthy fame. He was one of my dear friends, one of my class mates, one of my dear friends. Ken Roy, who was Secretary of the Army, was in our class. There have been a great number of people who have meant a great deal in various ways to the country.

DR. CRAWFORD: Now you graduated at the end of the academic year



of 1917?

SUTHERLAND: I graduated in June of '17. I was underage, so I couldn't get in any camp, so I was one of the few people who stayed and took exams. A great many of the people left and all of them were given credit for their year, if there was not some reason to the contrary. And I don't know of anybody who had any chance of getting a degree who didn't get a degree because they left. But I was one of the ones who stayed through and took the exam.

Although I didn't remember when you asked who I studied under, the really great professor I studied under was Professor Scott. I omitted his name. I took his course in trusts my last year. The last exam I took at Harvard was under Scott in trusts.

DR. CRAWFORD: When did you go to work for Brandeis then, sir?

SUTHERLAND: October of '19, practically on my twenty-first birthday. My father and two sisters had just started Goucher. My mother had dinner at the old St. James Hotel here--a late mid-day meal at the old St. James for my twenty-first birthday. I drove my sisters and mother and father to Baltimore. My father caught a train to Texas that night and was taken with pneumonia on shortly and got off at Greenville, South Carolina, and came back to Baltimore and died in Baltimore.

DR. CRAWFORD: What day was your birthday, sir?

SUTHERLAND: October 4, 1917--the day we had the last meal with my father.

DR. CRAWFORD: What did you do between your graduation and going to work for Brandeis?



SUTHERLAND: I tried to get in the Second Officer's camp and did finally get in. I was accepted as alternate. I went up and tried to get in. I went home and back to Jacksonville and two or three days after I got back developed severe sinus trouble with high fever. I had to have my sinuses punctured and just about two days of that and I was ordered to get back to camp, which I did. As soon as they examined me they put me out.

DR. CRAWFORD: So you were in the service briefly?

SUTHERLAND: About four or five days.

DR. CRAWFORD: Why were you selected to serve as Mr. Brandeis' clerk?

SUTHERLAND: Well, they just tried to get some good men from there, and I guess there were not many boys available at that time, because so many of them were in the service.

DR. CRAWFORD: Your academic record, I gather, at Harvard Law School was satisfactory?

SUTHERLAND: I was all right. I wasn't top man in the class, but I had a Cum Laude.

DR. CRAWFORD: How long did you work with Justice Brandeis?

SUTHERLAND: I worked with him until just about--I've forgotten whether it was the first of October or the first of November. I guess the first of October, 1919--just two years. I remember coming in on the fifth of June, 1918, and saying, "Well, Mr. Justice, I took my last examination at Harvard just a year ago today." And he said, "Well, you have nothing on me. I was sworn in as a justice of the Supreme Court just two years ago today!"



And then oddly enough, I was married on the same day of June in 1923.

DR. CRAWFORD: Did you enjoy your work with him?

SUTHERLAND: Oh, tremendously. I was inspired to be with anybody as smart as he was. I never felt close to him. I just wasn't mature enough to feel close to a man as sophisticated as he was.

DR. CRAWFORD: I have forgotten, about how old would he have been at that time--1917?

SUTHERLAND: He was just about sixty-two or -three years old, which of course seemed quite old to me then. It's hard for me to realize that I'm thirteen or fourteen years older than that now. But he had a habit which everybody ought to devote himself to, I think. And that was that he did not waste any long period of time. He worked very intensely when he was working, but he wouldn't work more than a couple of hours. We were on the eighth floor of Stonely Court, and he would run down seven flights of stairs frequently and walk rapidly around a couple of blocks and come back and lie down for five minutes then start the work again. And I think Mrs. Brandeis was responsible for just forcing him to do that. But if you think about it, the real strain that we had was keeping that heart and everything going without a little relaxation. I think that relaxation of 15 or 20 minutes every two hours, a person can do three times the work he can do if he sits down for eight hours.

DR. CRAWFORD: It was a real educational experience, then, working with such a man like that. Have you practiced in



your own career any of the things you learned from him?

SUTHERLAND: Not as much as I should, but I have taken fairly good care of myself. I've had to. I was a very sickly child. I found out, I believe, it was mostly due to allergy, but I have a lot of troubles and came very near death three times before I was 35 years old. And since I've realized what this allergy was and gotten that under control, I've had remarkable health for 40 years.

DR. CRAWFORD: Well, similarly, Dr. Arthur Morgan had a sickly childhood.

SUTHERLAND: He did?

DR. CRAWFORD: And, of course, he's now I believe almost 96.

SUTHERLAND: I think that a sickly child at a lack of a very strong constitution makes us conscious of how we feel, and we take much better care of ourselves than people who were born without any trouble and have a strong constitution. So many of them ruin themselves by over-exertion of one sort or another.

DR. CRAWFORD: What else did you learn from Mr. Brandeis?

SUTHERLAND: Well, it's hard to say, because, as I say, I was not old enough for him to mean to me what he would have meant to me ten years later. It's hard to say because it was so much like a post graduate course in school. That's one reason I tell boys now that I think these clerkships with appellate court judges, including the Supreme Court, you get so much less out of them for your future and practice than you do out of being with an active district judge or being in District Attorney's office. And



while I guess not many boys would refuse the glamour of a Supreme Court clerkship--it had a lot of glamour then because there were not nearly as many clerks and it was a very different day from the present--but I don't think you get anything like as much help for your future career out of that kind of clerkship as you would being with an active district judge or a district attorney's office. It's hard to make these boys see that, but I urge all of them not to take a Court of Appeals clerkship if they can get the other. The boys don't pay much attention to it, but I feel very strongly about it myself.

DR. CRAWFORD: Did you do legal research for Mr. Brandeis?

SUTHERLAND: Yes, yes. He was a person that knew how to get work out of people. I remember his former secretary that he put at the head of this industrial insurance that he started in Massachusetts was down one time and asked me how I was getting along. I said, "Fine, the Justice is always after me not to work so hard." And she said, "Don't pay any attention to that. That's just the cream sauce he serves with his drive."

DR. CRAWFORD: After you left service with him you returned to Atlanta?

SUTHERLAND: No, I went to the Federal Trade Commission for a year.

DR. CRAWFORD: That was in the fall?

SUTHERLAND: That was the fall of 1919, and I stayed there till January, 1921.

DR. CRAWFORD: What were your duties with the Federal Trade



Commission?

SUTHERLAND: I was sitting as Examiner in some of their cases part of the time and investigating complaints during other parts of the time. I also had, when I first went there, the experience of working with the chairman and the Chief Counsel on the first brief in the first case they ever had in the United States Supreme Court, which turned out very disastrously for them. Chief Counsel took the position, and Mr. Thompson, the Chairman, bought it that they should tell the Court that they could decide what was unfair competition, and the Court didn't have anything to do with it. When Mr. Thompson made that argument, the Chief Justice White looked down and said, "Did I understand you to say something?" And he said, "Yes." And Justice White went to sleep and didn't pay any more attention, or acted like he was asleep, anyway. The argument didn't get over it, though.

And then as soon as I got through that, I had the unusual experience for a person as certainly as naive as I was--Mr. Thompson, the Chairman, called me in and said that, well, he gave me a speech that had just been made by Senator Watson of Indiana in the Senate criticizing the office of the Federal Trade Commission in Chicago that had been investigating the meat packers. He called them Bolsheviks and, particularly, Stuart Chase who is the head of the office and another man whose name slips me at the moment, who was the other main person in the Chicago office. Those are the two people that he had most severely criticized. They may have been the only two people he mentioned



by name.

Thompson told me he wanted me to go over the country to everybody that had worked in that office to get in touch with them and to try not to let them know I was coming and talk to them and find out what went on in that office. And so I started over the country chasing down these people in different places and finding out their idea of what had happened in the Chicago office. It turned out some very interesting experiences.

One, particularly, where I got in touch with a girl who had been a secretary there and had been perfectly charmed by Stuart Chase who was a brilliant person and took a great interest in people who were interested in literary things. This girl was just charmed by him, and I spent some time talking with her about the office. Finally, she said, "Now Mr. Sutherland, I think that I can best tell you what I think of Mr. Chase if you'll excuse me and won't think this is sacrilegious. I think if Jesus Christ came back to earth today, he'd act just like Mr. Chase." (Laughter.)

DR. CRAWFORD: A very high compliment.

SUTHERLAND: I told Stuart that when I got back.

DR. CRAWFORD: Now is this the Stuart Chase who did a good deal of writing later?

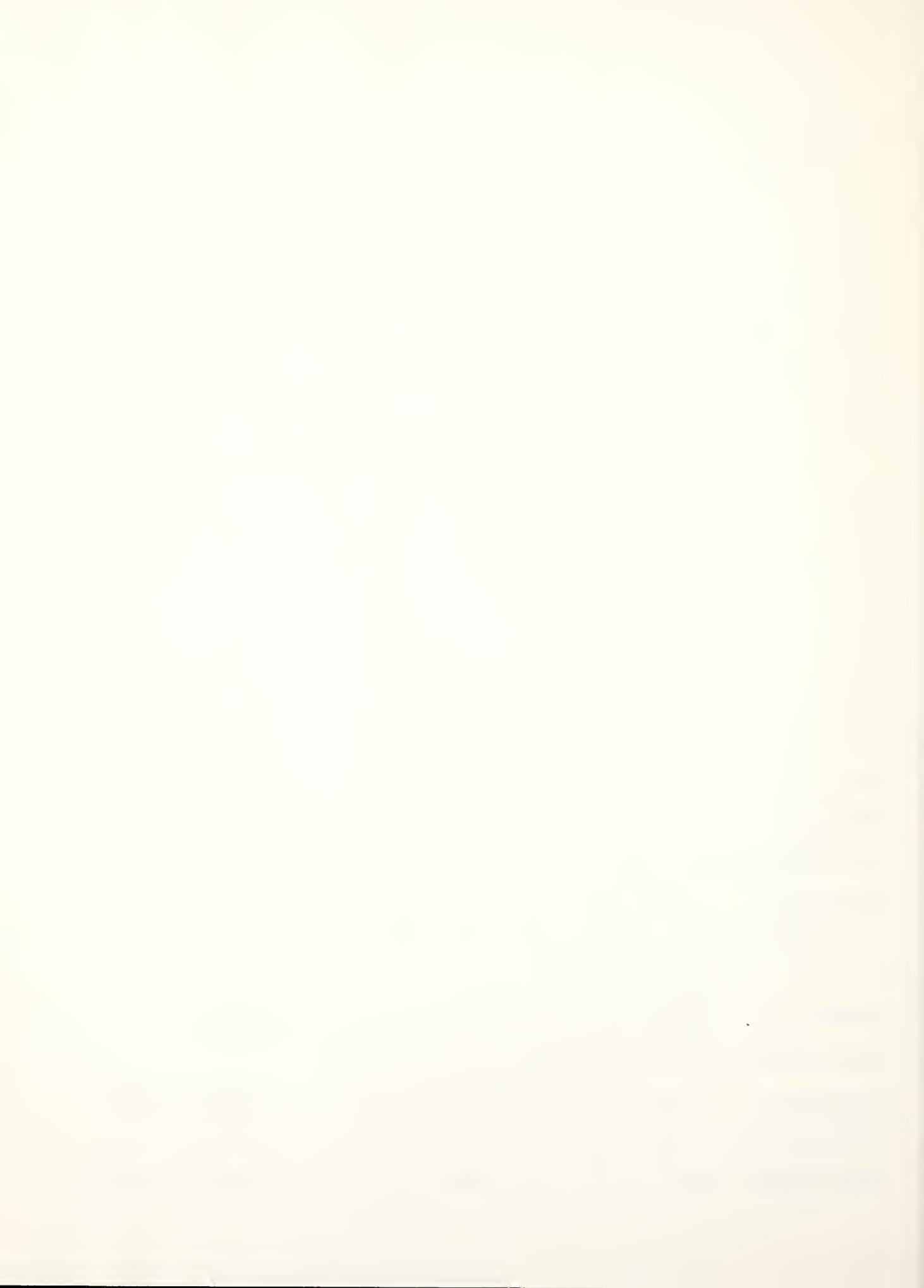
SUTHERLAND: That's right. He was a fascinating person.

DR. CRAWFORD: I have at least one of his books.

SUTHERLAND: I don't know whether Stuart's still living or not.

DR. CRAWFORD: I don't know.

SUTHERLAND: But he was brilliant with one of those active



minds and an interest in other people; that was the thing. Here was a girl who had a good mind, she was the daughter of a fire chief in Chicago. She had had no real opportunities to be thrown at anybody like Stuart, and she just thought he was the greatest thing in the world.

DR. CRAWFORD: Well, you were about fifteen months with the FTC.

SUTHERLAND: Yes, that's right. I've often thought how different my life would have been if Brandeis had gotten me with the Treasury Department instead of the Federal Trade Commission. Because that meant nothing so far as practice was concerned; whereas with the training I'd had, if I had been in the Treasury Department at the beginning of the big income tax situation, I would have probably made a fortune in a very few years after I got out and probably have been ruined like so many of the people who did have that success. Because the fees were fabulous that were made in a lot of those cases, and the educated bar just took no interest in the things. A lot of it was handled by ex-revenue agents, accountants--not even certified accountants, just people that could add some figures--and they had been in and had a little experience. They got out and made fabulous fees. My experience with the Federal Trade Commission was interesting, but not helpful professionally.

You might be interested in another thing. I was a close friend of Congressman Sumner's who later became Chairman of the Judiciary Committee and one of the distinguished people in Congress. His sister, who was his heart and soul, admired a cousin of mine who was up here as secretary to one of the



committees. He was with a young congressman here, and I was thrown with him just when he was fresh. So I went to see him and told him I was going to leave Brandeis and told him I wanted him to help to get a job with the government. I knew Brandeis would help, but I wanted to come to him.

He said, "Well, I can't do a thing about it."

I said, "Well Judge, I thought I could at least count on your help."

"Well, you can count on my help for almost anything but not for getting a government job. You tell me you're just going to stay here a year. These departments are full of people who were just going to stay here a year. I'll have no part of it."

And he didn't ever turn mine in. He did a lot of other things for me later, but he didn't have any part of getting any government job.

DR. CRAWFORD: Well, let's see, you were with the trade commission about fifteen months, so you left them...

SUTHERLAND: I left to go practice law in Atlanta in 1921.

DR. CRAWFORD: Why did you decide to do that?

SUTHERLAND: In Atlanta? Because I had relatives, not anybody that I thought would mean much from a business standpoint, but that was the big city close to where I was born. I liked the climate, it looked like a developing city that was large enough to have a decent law practice, and I didn't want to go back to Florida because I didn't want that much heat. Atlanta gets hot, but it doesn't stay hot all the year. Jackson was hot so much of the time. I never knew anything about the lower part

of Florida, because that was all hardly developed at that time. Miami was just a small town.

DR. CRAWFORD: When were you admitted to the Georgia Bar?

SUTHERLAND: I didn't take any bar association in 1919. I took the district bar in summer of 1919 and was admitted here, was admitted in Georgia on motion in 1921. Those are the only two state bars of which I am a member.

DR. CRAWFORD: So your career between 1921 and '24 consisted of your law practice?

SUTHERLAND: I had offices with a firm that was headed by Bobby Jones' father. The way I happened to get into the tax practice is very interesting, because I had no idea of anything about taxes. Colonel Bob Jones turned over to me a little case against a coal company in Louisville, Kentucky, that had been on his mind, and he hadn't done anything about it. I sent it to Joe Peeler, who was behind me at law school, a very brilliant boy who had gone with Miller and Chevalier when he graduated. That was one of the early tax firms, I guess the earliest of the good tax firms.

DR. CRAWFORD: What was the first, sir?

SUTHERLAND: Miller and Chevalier with Robert Miller who died a few years ago. He had been practicing in Louisville and was made Solicitor of the Internal Revenue Service up in the Washington office as soon as he got out of there. Joe Peeler was with his firm in the Louisville office. I sent this coal case to Joe and, with his usual efficiency, he soon had it



settled.

He wrote me he was bringing the check to Atlanta, and I wondered what in the world he was bringing the check for. He came down there and wanted me to join their firm. I did come up here a few weeks after I was married and spent about eight weeks in Miller and Chevalier's office. Then he permitted me to open an office for them in Atlanta. Well, I didn't have enough contacts to make it interesting to him for any length of time, and we separated about one year after Tuttle had come in and we had formed the firm of Sutherland and Tuttle. We remained great friends and that's how, through that coal case to Louisville, I got into the tax bracket.

DR. CRAWFORD: And your practice with Tuttle then started in '24?

SUTHERLAND: I then had a connection for a year or so with Miller and Chevalier. I was listed in Martindale as a part of their organization.

DR. CRAWFORD: And then you continued with the same firm till 1933.

SUTHERLAND: Tuttle and I were with the same firm until 1952 when he became General Counsel of the Treasury.

DR. CRAWFORD: Did the size of your firm increase before '33? What was the status in '33 when you went to TVA?

SUTHERLAND: In '33 there was nobody but Tuttle and Brennan and I. That was the way it continued until I came back from TVA. In 1935 we started really beginning to spread out. By the time the second war came on we had probably ten people and all of them young, and the war just decimated us. Tuttle had been a



colonel in the National Guard and left months before Pearl Harbor. Then after Pearl Harbor things evaporated, nobody was left except Brennan and me, so we had a terrible time for the period of the war. The boys didn't get back until '46.

DR. CRAWFORD: Mr. Tuttle left your firm in '52?

SUTHERLAND: He had been active in the Eisenhower campaign, both for getting nominated and elected. He had never had anything to do with taxes; we had specifically kept him out of it. But we didn't want to be just a tax firm. He had nothing to do with taxes, but he was offered the job of General Counsel of the Treasury. We had complained so much about some of the things that had happened there, that we felt like we had to consent for him to go. He did, and then they wanted him to go on the Court of Appeals. He refused the appointment to the first vacancy and then was persuaded to accept the second one, I think largely because there was a very good chance he was going on the Supreme Court. Because he had a promise if either Black or Clark got off for any reason while Eisenhower was president, he would have been appointed to the Supreme Court. But that did not happen. But he enjoyed the court work much more than he did the practice, and I knew it was very fortunate he took the job.

DR. CRAWFORD: When did Mr. Asbill become associated with your firm?

SUTHERLAND: Tuttle is a brother-in-law of mine and so is Asbill. Asbill was my roommate in law school and married my youngest sister. Tuttle had married the older of my two sisters. Asbill was here with General Cummings' firm. He had



been in the Department of Justice for some years and then went over to Cummings' firm after Cummings got out. His son had graduated at Auburn and was clerk to Justice Reed on the Supreme Court, and he came with me in 1949. His father joined us after the boy had come with us.

Interestingly, the boy being my nephew, I got the two top men from Harvard, which I don't reckon many firms have ever done. I could have gotten the third one if I'd had the nerve to hire him. I got the two top men from Harvard in the class of '47. Mallory Smith was with me here and Jim Wilson in Atlanta. They knew Mike at school, and they asked me, "Is Mike Junior coming with us?"

And I said, "Not at my suggestion."

They said, "Why?"

I said, "Because I don't want a nephew in here. Because if he doesn't advance very rapidly, his mother and wife will be saying it's because he's my nephew, but if he does advance very rapidly, there will probably be some boys saying, 'He wouldn't do that if it wasn't Bill Sutherland's nephew.' I don't want any part of it."

They said, "Well, you're a damn fool if you don't get him if you can."

And so it was at that suggestion that he came with us, and it has turned out to be very fortunate, because he is an excellent lawyer and a great balance wheel in the firm.

DR. CRAWFORD: So your legal experience extended over a long period of time has been in Washington and the southeastern part of the United States. When did you receive the



offer to join TVA?

SUTHERLAND: Why those things were running around rapidly at that time. I had just received the offer just about the time I joined it. And I have an idea that was at Frankfurter's suggestion.

DR. CRAWFORD: August 1933?

SUTHERLAND: Yes, in '33.

DR. CRAWFORD: Frankfurter was interested in TVA?

SUTHERLAND: Well, he was interested. He had always been interested in me. He had been very kind, and it was through him that I went with Brandon.

DR. CRAWFORD: He had known you since law school?

SUTHERLAND: Not until he had taught me; I was in his first class at law school. He came there 1914 to teach, and I was in his first class he taught.

DR. CRAWFORD: Did he keep up with his former students some?

SUTHERLAND: Well, pretty much. The ones that had attracted him he kept up with them and knew what they were doing and where they'd fit and so forth. He was very interested.

DR. CRAWFORD: Very useful to young men, I'm sure, to have someone of such eminence concerned about them.

SUTHERLAND: Yes, very fortunate.

DR. CRAWFORD: Why were you interested in TVA?

SUTHERLAND: Well, I was really interested, and I think all of us just got interested in the government at that time. I had really wanted to be Commissioner of Internal Revenue or General Counsel for the Internal Revenue Department. I had no political pull, and I didn't have any chance at that except on the



suggestion of some of the people who were really trained in the field and who thought I could be helpful. But I'd given up any idea of having that, and then this offer came along to go with TVA, and I was interested in it but fascinated with it after I got into it.

DR. CRAWFORD: Did you resign from your firm to go with TVA?

SUTHERLAND: No, I never was on at TVA full time. I mean it was understood that I was just part time, which was not very satisfactory because it was a job that required more than full time. And for the time I was with it, I gave it more than full time, so that's why I had to get back to my firm. I just realized that what we had started was going to disintegrate if I didn't get back to it.

DR. CRAWFORD: Did you ever move to Knoxville or did you remain in Atlanta?

SUTHERLAND: No, I remained in Atlanta, never moved to Knoxville. My family was settled in Atlanta, and we had a home that we built that we lived in from 1925 to 1946. It was very interesting--just shortly after I got out of the TVA job Mr. W.E. Mitchell, who was president of the power company, was charged with fraud on his taxes, which was a ridiculous charge. When he came to employ me, when he was about to leave I said, "Now I'd just like to know why you come to a fellow that has been mixed up with this terrible TVA."

And he said, "Well because my people told me that you were the one person that would do just what you told me you would do."



DR. CRAWFORD: Who was that, sir?

SUTHERLAND: George Falke, one of the Commonwealth and Southern companies.

DR. CRAWFORD: One of Wendell Willkie's companies?

SUTHERLAND: One of Wendell Willkie's companies. And Mr. Mitchell became a devoted friend and client of ours and the whole family clients of ours.

There was one thing very interesting about the TVA. There were a number of people of the younger people in the electrical industry who knew that the time had come to forget about this precious electricity that you wanted to charge for like it was diamonds that you wanted to produce it in large quantities and sell it cheap. They couldn't get anywhere with the older heads that had grown up on the old philosophy. TVA was really a boom to them. I think the great thing, one of the great things they did, was to act as a catalyst in the industry.

By the way, that's an interesting thing. Lilienthal is such a wonderful speaker, and you just don't think of him not knowing words that are in common use anyway. He, apparently, had never heard of a catalyst. I was on the train with him, and we were talking, and I said,

"I think one of the great things we can do is to act as a catalyst."

And he said, "What's that?"

That was one of my regular words, but I was amazed. That's the only thing that I ever remember finding him out on that you would have expected him to know. But you certainly would have thought that a person that had gone as far as he had and that had



that vocabulary, that you would never imagine that he didn't know what a catalyst was.

DR. CRAWFORD: But he knew it from that time on, I'll bet. I believe he had gone through Harvard law two years behind you.

SUTHERLAND: Yeah, yeah. He graduated...When did he graduate?

DR. CRAWFORD: I would guess about four or five years later.

SUTHERLAND: No, he was more than that. We'll look it up and find out.

DR. CRAWFORD: I thought he was born about 1900, which would have made him, if so, about four years younger than you.

SUTHERLAND: Well, I was the youngest man in my class, you see. And, I suppose, from all that I can gather, the youngest man that ever graduated from Harvard Law School.

DR. CRAWFORD: Well, that's true. You didn't celebrate your twenty-first birthday until later.

SUTHERLAND: Four months after I'd graduated, and I graduated the University of Virginia at 17, and my understanding is that's the record there, though I can't vouch for it.

DR. CRAWFORD: Well you had a rather unusual early education.

SUTHERLAND: I just didn't have much education.

DR. CRAWFORD: Why was that? Why did you not go to public schools in Florida?

SUTHERLAND: Well, we were moving around so much, then ill. For example, this pneumonia I had when I was twelve

knocked me out for a year. I just didn't have the opportunity to go to school. Then, as I say, I went from two years of tutoring to the University of Florida?

DR. CRAWFORD: What kind of tutoring did you have? Apparently, it was good.

SUTHERLAND: I had an old man from Massachusetts who was crippled who had come to Florida named Mr. Gould. Very crippled, I think he had had polio as a child, just all crippled up but a very interesting person. He was very interested in boys and quite an inspiration. I went from him to college. But, as I say, I wasn't very well educated. I think these boys that are going to these good prep schools now are much better educated when they get out than I was when I finished at the University of Virginia.

DR. CRAWFORD: Did you have difficulty getting into the University of Florida? Were there exams and tests?

SUTHERLAND: Oh, my Lord, they were glad to have anybody. If there had been any exams, I probably couldn't have gotten in. We only had about 350 students.

DR. CRAWFORD: Had you done a good deal of reading?

SUTHERLAND: Not a lot. As I say, I just didn't have much education.

DR. CRAWFORD: You've certainly learned rapidly since you started.

SUTHERLAND: Well, not nearly as rapidly as some people I have noticed do. I don't think I had any unusual kind of quality, it was in logic not in other things. I didn't have

any trouble with logic and I didn't have any trouble with mathematics. But most everything else was hard for me.

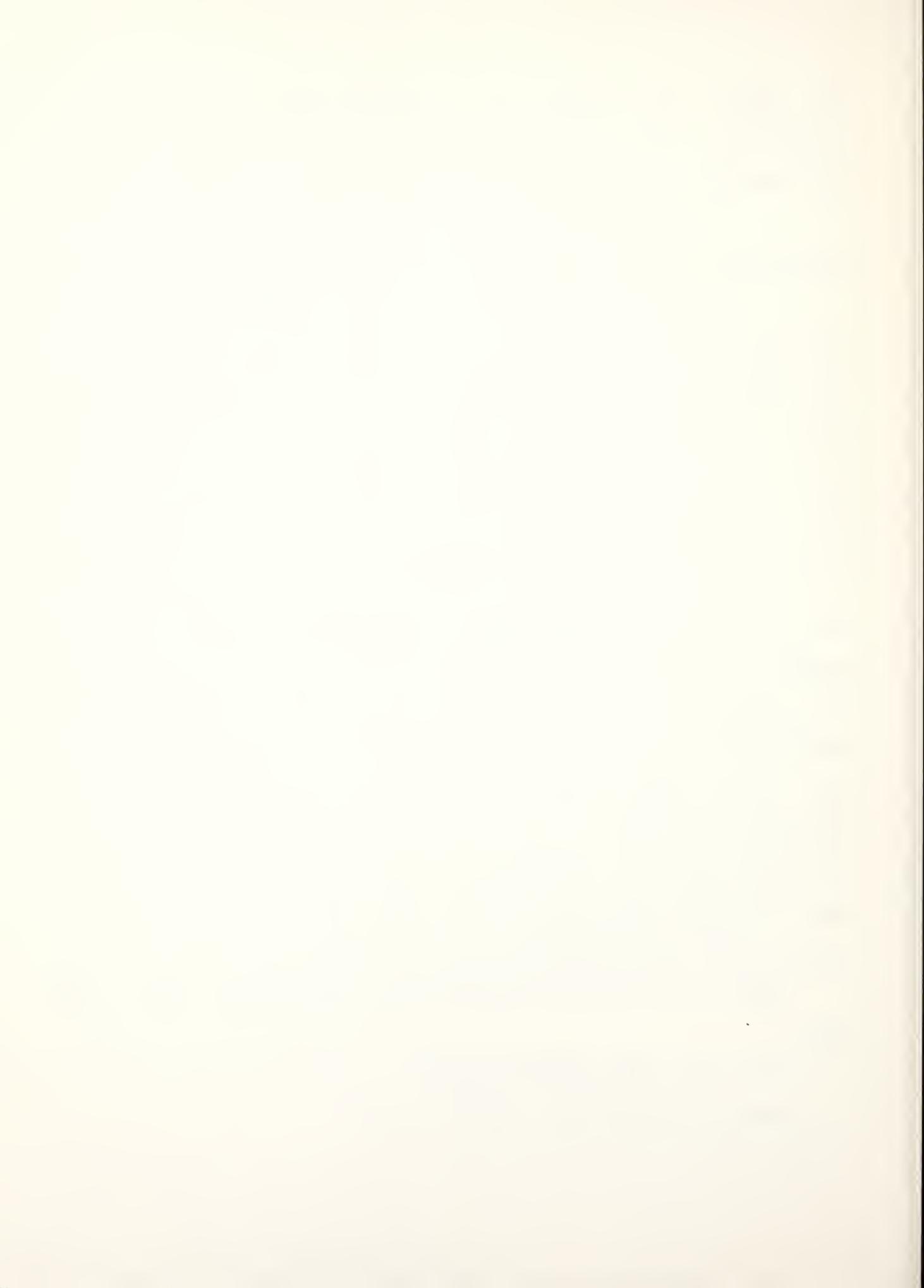
DR. CRAWFORD: Did you have any contacts other than in the Bar in the Roosevelt administration?

SUTHERLAND: Let me see. No, I had no real contacts. Of course, Frankfurter was a great sponsor of Tommy Corcoran. And it was through my work with the TVA that I came to know Tommy Corcoran, which meant a great deal to me over the years; I'm very fond of him. He's a great person, and recently I've been doing a lot of work with him. But we knew each other when he was just in the early days of TVA, well there are two or three interesting things to tell there.

We conceived the idea of getting electricity on the farms, and we tried to get some electric appliances that were a little cheaper than the normal. We wanted to be able to finance them if the finance companies would not finance them. And so I got a commitment from the treasury of ten million dollars to organize this finance company. And we did, and that had to go through the Reconstruction Finance Corporation that Jessie Jones was running. Mr. Reed, who later became Justice Reed, was the General Counsel there and Tom Corcoran was working with him. So we had worked for several days on getting this contract in shape and Tom said to me, "Well, we had better go in in the morning and talk to the boss."

And I said, "You mean Mr. Reed?"

And he said, "No, Mr. Jessie Jones."



I said, "What the hell do you think he knows about it?"

He said, "Wait till you get in there and see." (Laughter)
And he knew all about it. He was running that thing just like it
was a country club and he owned it. They didn't lose any money,
either! That's one of the organizations that made money.

DR. CRAWFORD: Tom Corcoran was a Harvard Law School graduate,
too, wasn't he?

SUTHERLAND: Yes, a brilliant boy, just had a perfectly amazing
mind. It was Ben Cohen that was working with him.
He has a mind just as great as Tommy's but a completely different
personality. He was one of these retiring self-effacing Jews, and
Tom's an Irishman making folks laugh wherever he is. But the pair
of them was largely responsible for shaping up the New Deal.

DR. CRAWFORD: Yes, I think they helped a good deal in finding
brilliant young people to staff the agency
positions.

SUTHERLAND: Yes, and they did a lot of work with them, too.

DR. CRAWFORD: Did Tom Corcoran go back in to try private
practice after his work there?

SUTHERLAND: The only job he ever wanted, but he never had any
desire for any government job, except he wanted to
be the Solicitor General of the United States. He tells me that
Frankfurter kept him from doing that. Why, I don't know. But
that's the only thing that he ever wanted. But he knows more
people and has more influence in more different ways in this town
than you can imagine. He just has one of those minds that grasps
things quickly in every way. I mean whether it's a complicated
legal proposition or, if he, well he can go into a room probably



and tell you what furniture's in it when he gets out. Just one of those minds that sees everything, picks it up, and passes it on. I found myself repeating something to him, telling him something that I had told him before that was not of any importance. And he said, "Oh yes, you told me about that. I remember you've told me about that before."

DR. CRAWFORD: I know he was a great deal of help to Franklin Roosevelt in getting the New Deal agencies well set with leadership.

SUTHERLAND: Well, he has put more people in positions, no telling how many people. We were walking down the street in the time I was working with him over there late one afternoon with Stanley Reed. Tom said, "Stanley, you ought to be Solicitor General of the United States." And Reed told me later that that's the first time anybody had ever mentioned to him being solicitor. No doubt Tom was largely responsible for seeing that he was.

DR. CRAWFORD: Had you met him before your TVA appointment?

SUTHERLAND: I had never met Tom before that. I had no reason to. He got out six years after I did. He got out in '25, and I had gotten out in '17. I'd had no occasion to be thrown in contact with him.

DR. CRAWFORD: He could well have known about you, I'm sure.

SUTHERLAND: Well, I don't know, he probably found out from Frankfurter. Frankfurter probably mentioned me to him when they were talking about different set-ups.

DR. CRAWFORD: What form was your invitation to join TVA? Did you



DR. CRAWFORD: What form was your invitation to join TVA? Did you receive a letter or a call?

SUTHERLAND: I think it was just a letter. I've forgotten whether it was from Lilienthal or who it was from.

I think it was from Lilienthal.

DR. CRAWFORD: And that was in August, 1933?

SUTHERLAND: To the best of my recollection.





THIS IS THE ORAL HISTORY RESEARCH OFFICE OF MEMPHIS STATE UNIVERSITY. THE PROJECT IS AN ORAL HISTORY OF THE TENNESSEE VALLEY AUTHORITY. THE DATE IS JUNE 9, 1973. THE PLACE IS WASHINGTON, D.C. THE INTERVIEW IS WITH MR. WILLIAM A. SUTHERLAND. THE INTERVIEW IS BY DR. CHARLES W. CRAWFORD, DIRECTOR OF THE MEMPHIS STATE UNIVERSITY ORAL HISTORY RESEARCH OFFICE. TRANSCRIBED BY ELIZABETH SHELTON. INTERVIEW II.

DR. CRAWFORD: Mr. Sutherland, it was in August, 1933, that you went to TVA?

SUTHERLAND: Ye .

DR. CRAWFORD: And you were there a short time, leaving I believe in March, '34.

SUTHERLAND: That's my recollection.

DR. CRAWFORD: But you were there at a very important time, since the agency was being organized. What did you find in regard to the legal staffing situation when you first went to TVA?

SUTHERLAND: Well, of course I'd had no experience with the administrator's job. I was, I'm sure, not nearly as effective in quickly getting together a staff as I might have been if I had had more experience. I did have the good fortune of getting a number of excellent people.

Miss Margolin, Bessie Margolin, was recommended to me by Tom Corcoran. She had a very interesting academic background.

Joe Swidler was recommended to Lilienthal or me by somebody that Lilienthal had had contact with. I don't remember the

details of it, but I was very much impressed with Swidler the first time I saw him and was delighted to have him come aboard. I've forgotten now how I got in touch with the man. I think it was through some of my friends at Columbia. There was a man that he knew (his name I'll have to get later that I can't recall) who came in as my assistant and then pretty quickly headed up the land department just about the time I was leaving.

Ed Kane, who later came with us after a year or so that I was with the TVA, came in from Vanderbilt, I believe. I don't know whether he had applied to our firm for a job, and we thought about his coming with the TVA or how it came about. But he was an excellent young lawyer.

I got help in connection with some of the problems of the exact status of what kind of organization the TVA was, what constitutional principles applied to us, but I've forgotten the details. I got the help of the man at Vanderbilt who later went to Harvard. He's a professor. I know his name as well as I know my own, but I can't recall it now. He was a very distinguished person and was most helpful to me in some of the really difficult legal concepts we were developing.

Of course, I had contact during those days with Lilienthal in connection with his dealings with the Commonwealth and Southern people. Through that came close contact with Willkie, for whom I formed a very high regard.

The thing that interested me most in connection with laying out the plan for things we had to do was in connection with the way we were going to treat these farmers whose lands we were



taking. Because it was obvious they were going to be a serious part of the legal problems that were going to come up to the TVA in their day-to-day work. I was so anxious to see the system we set up was fair to everybody, and we tried to give people a fair break without their having to go to court. I wanted everybody to feel they were getting a fair break. I'm sure that we wouldn't have little or no litigation.

I set up a system, as I recall it, it was something like this: when we wanted to take a bit of land, we would have appraisers go out and appraise it. (I've forgotten exactly how they were chosen.) Then the first appraisal would be submitted to the people who owned the land so that they were given an opportunity to pick flaws with it if there were things that had been overlooked. Then it would come back, and I think it was the same appraisers although I can't be sure, but they would come back and then maybe if there was much difference between them and the landowners somebody else would be brought in. In any event, we would--under our internal system--go ahead and fix the final value on this land.

When that was done (and I may have been a little off on the details of how we arrived at it) but when that final value was fixed, that's exactly what we were going to pay. There was not going to be any argument about it. Of course, we didn't try to take away anybody's right to litigate. If they wanted to litigate, they could litigate. But we weren't going to pay--short of a trial--we weren't going to pay anything except just that amount. My theory was that we weren't going to settle any cases



going to trial. We were going to let them actually go to trial so that the only way anybody was ever going to get anything except what we said we were going to pay was through the final litigation. I have been told that system worked the way I hoped it would, and the people did feel they were being fairly treated, and that we've had very little trouble in connection with it. I'd like to know more details than I do about how it worked out.

DR. CRAWFORD: What exceptions do you know about it? Do you have any idea about how many cases were brought to litigation?

SUTHERLAND: I have no idea. See, none had been brought to litigation when I was there, and I have no idea about it. Of course, I was still in charge of the law department when the first suit was brought by Forney Johnston in Birmingham testing the constitutionality of the TVA. He offered to disqualify himself because of the ownership of a few four or five thousand dollars worth of stock in this ice and coal company, I think it was, that was the plaintiff in the suit.

DR. CRAWFORD: Now Forney Johnston was...

SUTHERLAND: A Birmingham lawyer, a very distinguished lawyer.

DR. CRAWFORD: And the judge?

SUTHERLAND: The judge was Judge Grubb.

DR. CRAWFORD: And Judge Grubb offered to disqualify himself?

SUTHERLAND: Grubb offered to disqualify himself because of the ownership of a few thousand dollars worth of this stock. Well, I wasn't the least bit concerned about his ownership of the stock, but I did know that Judge Grubb was a very



conservative person, and I wanted to consider very carefully whether I should accept his disqualification or agree that he should go ahead and try the case. I did a very intensive investigation for ten days or two weeks with the Department of Justice, the people in Birmingham, and various sources. I made a thorough investigation and decided that he had such an excellent record, Judge Grubb, that he was such an excellent judge that we'd have as clean a record as we could have and knew we'd have to go up anyway. I didn't think it was very important which way the case would be decided in the trial court, and I agreed to accept Judge Grubb, and he did actually go ahead and try the subsequent case that was brought. Forney Johnston dismissed his suit brought by the first plaintiff and filed a suit on behalf of the Alabama Power Company. He did not again offer to disqualify himself because he thought we'd finished that. I never regretted the decision that we had made. I don't know whether it might have been fair just as well with any other judge, but we might not have gotten a man who had the reputation and did things as carefully as Grubb did.

DR. CRAWFORD: I suppose you researched his reputation and his previous decisions?

SUTHERLAND: Yes, we knew all about his background and his feelings about things. He was a man that the people--the District Attorney, for example, who worked with him all the time--the people just adored him. He just had a great reputation among the lawyers that came in contact with him.

DR. CRAWFORD: Now your strategy was that the case would b



appealed in any event.

SUTHERLAND: I wanted a perfectly clean record. My understanding is that's what they've got.

DR. CRAWFORD: Well, that turned out to be the way that it really was. Of course, you did go through appeal. How were your relations with Judge Grubb later? There was an incident, of course, with publicity about...

SUTHERLAND: Well, I don't think it ever affected Judge Grubb. It just made the District Attorney mad as the devil because Judge Grubb had run the decision against the Tennessee Valley Authority, which was quite in line with what we expected. A columnist in Washington, with one of the Washington papers, came out with "Link Discovered Between Federal Judge and TVA Plaintiff" as though the judge had concealed from us the fact he owned any stock in the company.

Remember when the District Attorney was so angry when this thing came out, knowing that Judge Grubb had told us about his conflict in the first place and we had waived the disqualification? The thing that made him so furious, I now recall, he called Fly to get Fly to confirm the fact that Judge Grubb had done nothing wrong. He told us once, and that was all there was to it. Fly said, "Well, I'll tell you the way it is. I think that this is most unfortunate that this has come out. This is a matter that should have been discussed between the lawyers personally and should not have gotten in the newspapers," although Judge Grubb had done something wrong. That's what upset the District Attorney. When he called me, he was cursing Fly for



everything you can imagine. (Laughter)

DR. CRAWFORD: What was Larry Fly's position at that time?

SUTHERLAND: He was General Counsel of TVA.

DR. CRAWFORD: This, then, was after March '34?

SUTHERLAND: Oh, yes. I've forgotten now, but I don't think that decision of Grubbs was probably for another year. It would be perfectly easy to find out.

DR. CRAWFORD: It was very slow, I remember.

SUTHERLAND: Well, I was just as mad as the District Attorney was because it was an absolute insult to Grubb and absolutely unfair. If the man had failed to tell us about it, the interest would be one thing, but he had.

DR. CRAWFORD: Now this was the U.S. Attorney?

SUTHERLAND: Yes, as I said, everybody who worked with Grubb was just crazy about him.

DR. CRAWFORD: Well, the District Attorney did not suspect that you had released the story, did he?

SUTHERLAND: Oh, I'm sure he knew I hadn't released it, but I think the first person he called was Fly, and he had gotten this equivocal answer from him instead of just saying, "Well, this is a damn shame." Of course we knew about it. And he indicated that something should have been discussed between the lawyers and so forth. Well there wasn't anything to discuss at all. It was just an outrage that anybody would have ever thought of accusing Judge Grubb of concealing it. As I think back about it, the thing that made Fly appear in such a horrible light was what he had said to the District Attorney when the District



Attorney had called him to inquire about what the background of this thing had been.

DR. CRAWFORD: In actuality, you had discussed the stock ownership, hadn't you?

SUTHERLAND: I had, the whole thing, and discussed it with Lilienthal. I don't think I discussed it with Fly; I had no occasion to. I had already agreed to accept Grubb before Fly succeeded me. It was with the complete understanding of the Board of what I was doing. I never knew whether it was Lilienthal or Fly, but I couldn't imagine that it was anybody else. I don't know who would have gone into the question.

DR. CRAWFORD: When was Mr. Fly hired, about the time that you were leaving TVA?

SUTHERLAND: After it was definite that I was leaving. I don't know how long, but a very short while. I think he was afraid that I was going to try to keep a hand in on this big case, which of course, I had no idea of doing.

DR. CRAWFORD: At the time that you arrived at TVA in August, 1934, what was the extent of the legal department?

Do you remember?

SUTHERLAND: There wasn't anybody there. I was it.

DR. CRAWFORD: And you were General Solicitor?

SUTHERLAND: That's right.

DR. CRAWFORD: Had David Lilienthal been handling legal matters or had they come up at all?

SUTHERLAND: No, he hadn't. I was really General Counsel as much as Fly was. I had the same authority as Fly



had, but Lilienthal--wanting to keep his hand in the law--had felt that he could keep the title of General Counsel, and it was a completely wrong setup, that's all.

DR. CRAWFORD: So when you arrived you had to establish the legal department. And you secured Joe Swidler and Bessie Margolin.

SUTHERLAND: And Ed Kane and the man who later took over the land department, whose name I'm sure we can find, who came in as my assistant. Then I had other boys for a time. I had Reban Monroe who had just gotten out of Harvard, a very brilliant boy. His father was the Monroe of Monroe and Lemming, a very distinguished firm in New Orleans. I had Eddie Burling who was the son of Burling of Covington and Burling. They were good friends, and I had both of those boys just for two or three months. There may have been others. As I said, Ed Kane came in, then the assistance that I had from this Duke law professor.

DR. CRAWFORD: What was Ed Kane's background? I've interviewed Joe Swidler but not Ed Kane, of course.

SUTHERLAND: Ed Kane is in Atlanta. He was just a boy from Alabama, had just graduated from law school. Now he is in Atlanta with a firm of Jones, Bird and Howell. Ed is a person with an excellent memory. He could probably tell you a good deal about the details of what happened there, a lot more than I could because I was running around so.

DR. CRAWFORD: How do you spell that?

SUTHERLAND: K-A-N-E.

DR. CRAWFORD: What was Bessie Margolin's background?

SUTHERLAND: She had graduated from Tulane and then had taken a postgraduate degree at Yale. It seems to me she was working with one of the professors at Yale, but I'm not sure about that. She was just a young lawyer.

DR. CRAWFORD: You were generally hiring young people, weren't you?

SUTHERLAND: Yes.

DR. CRAWFORD: How did you locate these people?

SUTHERLAND: Well, just different ways. The man that came in as my assistant, whose name I haven't been able to give you, took over the land department. I think I got him through a friend at Columbia Law School who was on the faculty, but I'm not sure.

DR. CRAWFORD: Do you remember where he lived?

SUTHERLAND: No, I don't.

DR. CRAWFORD: His name was not Sessions, was it?

SUTHERLAND: No. I don't know that I'd recognize his name if I heard it. It's been so long, I haven't thought of it. I remember, though, one thing he said because he did do a good job as I understand it. He was not a person who worked long hours. He said to me, "If I can't get out and play golf two or three times a week if I want to, then I ought not to be in this job. I haven't got it organized like it ought to be organized." I think he did get it organized. My recollection, and with the little I've heard about it, he did do a good job.

DR. CRAWFORD: How do you learn about these people?

SUTHERLAND: Well, I think Tom Corcoran recommended Beale

Margolin and Annette Burling and Raymond Monroe. He just had a pool of lawyers. He thought TVA was an interesting place. These are just minor positions, but I expect he placed more lawyers in important positions than anybody else that has been around Washington in our lifetime.

DR. CRAWFORD: This was one of your important duties--building up the legal staff at TVA. For what qualities did you look in the people you hired?

SUTHERLAND: I was looking for people who are good lawyers, just like we're looking for them right now for our firm. I just wanted people that were smart and that you didn't have to draw diagrams for. As I said, I think these boys all measured up.

DR. CRAWFORD: Well, I suppose the outcome of the cases indicates your success in that?

SUTHERLAND: No, I would think that I had very little credit due, because that was a constitutional question. I'd say if you had Mr. John Lord O'Brien, and you didn't give whatever assistance you had, I would feel a great deal of, well, I think more or less a foregone conclusion, that the result would be what it was. But in any event, whatever genius went into it I think was largely Mr. O'Brien.

DR. CRAWFORD: Do you know who selected Mr. O'Brien to work with TVA?

SUTHERLAND: I think Fly did that. Now whether Lilienthal suggested that to him... Of course, Tom just worshipped Mr. O'Brien. He may have had some part in that,

although I think Fly had had some contact with O'Brien. Fly may have been wholly responsible for him, I couldn't tell you.

DR. CRAWFORD: What was Mr. Fly's legal background and what was his age at the time he went with TVA?

SUTHERLAND: I'd have to look it up in Martindale's. I have known it, but you see I did not employ Fly. I had nothing to do with that. There were other people that I tried to get. I considered Doug Irant, a prominent lawyer in Birmingham. Doug would have been offered the job, but when he talked to me about what it involved he and his wife decided they didn't want it. I don't know who else I gave any consideration to. Doug would have probably accepted the job, except he just asked specific questions about what it involved, and he knew I'd tell him honestly. I did, and he decided he didn't want it. He had been a secretary to Taft, legal clerk for Taft, and was a very prominent lawyer and prominent as a young lawyer. He would have done a good job. I may have given consideration to other people, but I can't recall it now. But I didn't know Fly. I may have known at the time, but I don't know now how Lilienthal ever decided on him.

DR. CRAWFORD: At the time you went to TVA, you did not plan to remain, did you?

SUTHERLAND: No, I knew I couldn't stay very long. See, theoretically I was on a part-time basis.

DR. CRAWFORD: Since you kept your residence in Atlanta how much time did you spend in Knoxville?

SUTHERLAND: I never spent much time in Knoxville. I spent a



lot more time here and in New York, particularly here, than I did in Knoxville. Because things like the organization of the Electric Home and Farm Authority, the fixing of the arrangements with the Reconstruction Finance for this financing and various things were more here and in New York than they were in Knoxville.

DR. CRAWFORD: So your work necessitated being in Washington more?

SUTHERLAND: Somebody asked my wife, "Does Bill spend most of his time in Knoxville?" And Sarah said, "No, if he starts doing that I'll bet he'll be home."

DR. CRAWFORD: What about the Electric Farm and Home Authority? What part did you have in that?

SUTHERLAND: I was the person who thought of that, I guess. It's hard to say how things come up, but I think I worked that out with Lilienthal on a train between here and New York.

DR. CRAWFORD: What was the reason for developing the Authority?

SUTHERLAND: We didn't know whether the finance companies would go in for financing these appliances in farms, and we wanted to put electricity on the farm. This was just a guarantee that we'd have the financing. Now I don't think there ever was a penny of it used. It wasn't required.

DR. CRAWFORD: How far did you get with the plan?

SUTHERLAND: Oh, we got it organized and got the thing where it could have operated and got the guarantee of ten million dollars of credit for it.



That's another thing that's interesting about the way things went at that time. We were fortunate we'd gotten this money set aside for us, and we weren't going to pay any interest on it. They have a rule that if you set any money aside for anybody on any of these plans that you had to start charging interest. I've forgotten why we got by without interest, but I arranged this with the General Counsel of the Treasury, Mr. Oliphant, and he called someone in to tell him about the arrangement.

The man said, "The usual rate of interest?"

And he said, "No, no interest."

And the man said, "What?"

And he says, "No interest," and never explained. We were sitting in front of the fire, and he said, "No interest," and that's the way it went. (Laughter)

Mr. Oliphant actually was the brains in the Treasury. Mr. Morgenthau was not a very smart person. But he had Oliphant over in the farm credit before he came in as Secretary of the Treasury. Oliphant came over with him. He didn't do anything without Oliphant.

DR. CRAWFORD: What people did you have to work with to get approval for this Farm and Home Authority?

SUTHERLAND: I didn't have to work with anybody, except the President liked the idea, and we just organized the corporation. I had to work with our Reconstruction Finance and started with the Treasury. They had to ask RFC to set aside the money, and then all the work was with the RFC, nobody else but Mr. Tom Carpenter and Mr. Jones.



DR. CRAWFORD: You met Mr. Jones in this connection, of course?

SUTHERLAND: Yes, he was amazing. I guess there are some books written about him, but there's one thing that I thought the press would have spread all over things, and I never have seen a word in mention of it. When I was in his office, on the back of his desk was a picture frame about four or five feet long and about two feet wide, and he had had two pictures. One was the skyline of Houston, Texas, in 1929. And under the bottom picture was the same skyline with Jones' buildings removed. And it practically wiped out the city ! (Laughter) You would have thought that a thing like that would have attracted attention, would have been in the magazines, but I never saw a thing.

DR. CRAWFORD: What about the plan of establishing a national bank at Norris, can you tell something about that?

SUTHERLAND: When we were discussing how to organize and what financial setup we would use for this financing, Lilienthal said he had no idea of doing anything except organizing a finance corporation. Lilienthal was talking to the President, and he said Mr. Roosevelt said, "Why don't you just organize a National Bank of Norris, Tennessee?" And Lilienthal came back and told me, "The president said organize a National Bank of Norris, Tennessee."

I was not familiar with much about banking, but after all, I was instructed to do this, so I went ahead and was working with the comptroller and the other people in the Treasury to organize the national bank there to handle this financing. I reckon I stayed around there two or three days. And I just happened to be



walking by the office of the assistant to the Chairman of the Federal Reserve, who is Mr. Eugene Black, the father of the boy that has just been president of the World Bank. I knew Mr. Black very well, and I knew Mr. Martin, his assistant. I just opened the door to Martin's office to say "hello".

He said, "Come on in. What are you doing around here?"

And I said, "Well, I'm just organizing a National Bank of Norris, Tennessee."

He said, "What's the idea of that?"

And I said, "We're going to use it to finance electrical appliances on the farm."

He said, "Bill, do you have any objection to me talking to Governor Black about this?"

And I said, "I don't have any objection to you talking to Governor Black about anything."

So I just dismissed it. The next morning when I came to Mr. Oliphant's office to proceed with some of these plans he said,

"Governor Black wants to talk to us. Let's go in there and see him."

I said, "All right." So we went around to Martin's office, and he went on into Governor Black's office with us. We sat down, and Governor Black immediately turned to me and he said,

"Bill, I always did like to have some semblance of authority. Now do you mind getting out and letting me talk to Mr. Oliphant for a few minutes?" (Laughter)

I said, "No, sir."

So Mr. Oliphant came out in a few minutes and said he didn't



believe we ought to organize any national bank up there. And that was the end of it.

DR. CRAWFORD: Do you think this is illustrative of the way President Roosevelt often operated?

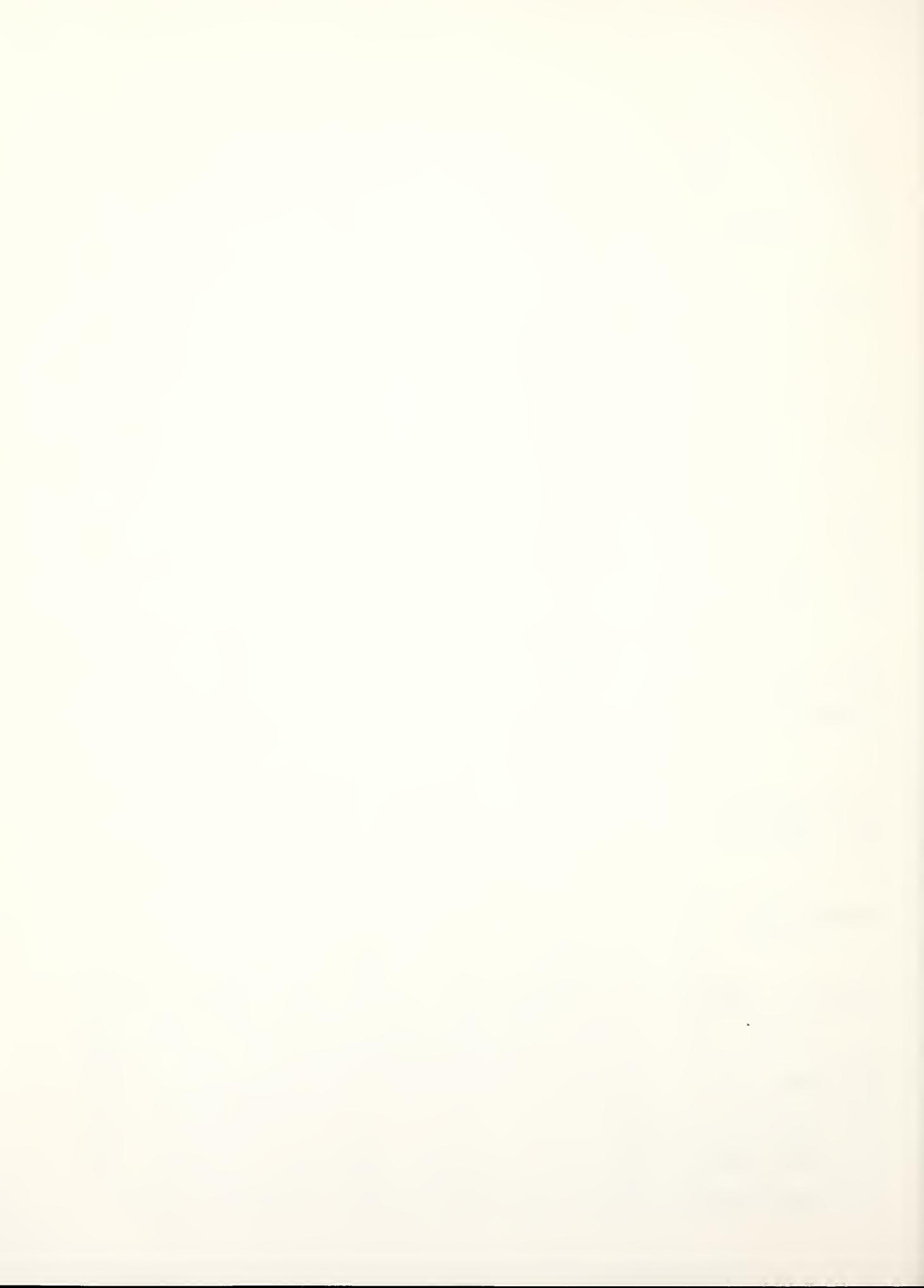
SUTHERLAND: Yes, I think it's just perfectly typical of the way he did things. How many mistakes were made that way, I have no way of telling. But I'm sure that probably many of them got stopped in the same way this one got stopped, but I expect some of them that didn't have much sense in them from the beginning went on through because no one did stop them. But that's just a guess.

DR. CRAWFORD: So much of the New Deal seems to be rather pragmatic and thrown together hurriedly without much accomplished.

SUTHERLAND: Well, that's just off the cuff rather than pragmatic--just off the cuff. I don't think a lot of it made any practical sense.

DR. CRAWFORD: What about the NRA, do you suppose it started out that way?

SUTHERLAND: I don't know enough about the history of it, but I do know that I was right from the beginning bitterly opposed to it. Because the whole theory was an economy of scarcity, and I didn't think we would get very far that way. Of course, the interesting thing was that the whole idea of the TVA and their approach to the sale of electric power and all was just the opposite with big production cheap and low prices. And here was this NRA that was operating on just the opposite basis.



I was in one sub-cabinet meeting when Roosevelt left. Lilienthal was out of town, and I couldn't help bringing up something of that kind, but I didn't get any answer to why we were approaching these things in such a different way.

DR. CRAWFORD: Well, it must have been apparent to other people also that the New Deal was developing in that way.

SUTHERLAND: Yes, and what would have happened if we hadn't had a war, I don't know.

DR. CRAWFORD: Did you ever get to meet the President in your work with TVA?

SUTHERLAND: I think at that one sub-cabinet meeting I was in was the only time.

DR. CRAWFORD: When did you first meet the Directors of TVA?

SUTHERLAND: Well, it was quite informal. I saw Dr. A. E. Morgan and Dr. Harcourt Morgan as soon as I was there. There was no air of formality where it was any trouble getting to see people.

DR. CRAWFORD: Were they in the New Sprangle Building by that time?

SUTHERLAND: No, I don't think so. It was a sorry old office building that we were in, and I couldn't tell you the name of it. But it was not anything that had been made for TVA. It was just a converted building of some sort. I've really forgotten.

DR. CRAWFORD: Did you get to know any of the Directors well? Did you travel with them, for example?

SUTHERLAND: No, I never--well, I traveled with Lilienthal. We



were quite close there. Lilienthal loves a story, and he's got a fine sense of humor. One of the occasions I remember was one Sunday morning walking with him in the woods, telling him the story about this man who had made such a fuss over the fact that he had met the President of the United States. I can see Lilienthal now laying up against a tree laughing. He was an awfully pleasant person to be around, a lot of life and bright.

I'm not an admirer of Lilienthal's. I didn't like some of the things we did there. We were supposed to show an example of how cheap things can be done as an example for the electric power companies. I had a distinct feeling that we were fudging on our bookkeeping in order to con some of these things, and I didn't think that was a very good way for a government agency to operate. But Lilienthal is a very vibrant person and just as smart as he can be and I think very capable and with a lot of imagination.

DR. CRAWFORD: You did get to meet Mr. Willkie, also, didn't you?

SUTHERLAND: Yeah, I got to meet Willkie and had a number of conferences with him. I thought he was a man of great character, that you could trust whatever Willkie told you he would do. I was, of course, very strong for him for president, but I'm not at all sure that he would have been a good executive.

The boys on Wall Street that were largely responsible for working out his nomination were terribly disillusioned about some of his handling of the campaign. For example, they said they would get together and write a memorandum about something they



knew was going to come up that was very important for him to know in advance what he was going to say about it and that he'd go ahead and talk off the cuff and probably wouldn't read the memorandum for a week. That sort of thing. I doubt very seriously whether he would have made a good president as strong as I was for him. This has nothing to do with TVA, but my feeling is that the great misfortune the United States has is not having Mr. Dewey for president. I think there's a man that is just as smart as hell who does know how to run things.

DR. CRAWFORD: With executive ability, unquestionably.

SUTHERLAND: With real executive ability.

DR. CRAWFORD: But Mr. Willkie was a great speaker, wasn't he?

SUTHERLAND: Yes, he was a fine speaker and a great idealist.

As a matter of fact, I think if you'd go back and go to the heart of the men rather than the surface, then Willkie was a much more liberal person than Roosevelt. Roosevelt's liberality was largely for political purposes. I think Willkie was a natural born liberal.

DR. CRAWFORD: He did give that impression, I believe; for a Republican candidate, unusually so. When did you first meet him with the TVA?

SUTHERLAND: I met him in New York. I don't reckon it had been many weeks that I had been with the TVA. It was in the fall of '33, and Lilienthal had been there for some time conferring with them. I went up, and Lilienthal reported to me the things that Mr. Willkie had agreed to do. I wanted to know what that imposed on us in return, and Lilienthal said,



"Absolutely nothing."

And I said, "Well, that's an amazing thing. If Mr. Willkie has told you what you say he's told you, he must be a damn fool!"
(Laughter)

Then when we got with Mr. Willkie, I found that he had said a lot of things that Mr. Lilienthal hadn't quite taken in. I think Lilienthal is probably one of those people that all of us have a tendency to be that way, I reckon--we don't hear the things we don't want to hear. (Laughter) It's an easy position to fall into.

DR. CRAWFORD: And some people, I suppose, are very good at saying some of the things people want to hear, which they can get if they want to. Do you feel that Mr. Willkie dealt fairly with TVA?

SUTHERLAND: I never had any question about it. When you say "fairly", I mean I don't think that Willkie ever agreed to do anything and then backed out on what he had agreed to do. Now, how hard his trading was and, after all, he was in a position where he was certainly going to trade, I suppose, as hard as he could.

I'll give you an illustration of the frankness of the man, and that's the thing that impressed me about him always. It's just coming back to me. He said, and I think this was in one of the early conferences where I was, "Now you no doubt wonder why in the world I am willing to do what I told you I would do. And I'll tell you just exactly why. I think this country will wake up in another two years, and I think I'll be in a very different



position after the next Congressional election than I am now."
Just right on the table. (Laughter)

DR. CRAWFORD: But you felt able to trust him in that he kept his word?

SUTHERLAND: I didn't ever have any doubt about the fact that the man could keep his word.

DR. CRAWFORD: Of course, TVA and Commonwealth and Southern were natural enemies, I suppose.

SUTHERLAND: Oh, sure. They were put in there to cut into what Commonwealth and Southern was trying to do and, naturally, they were enemies. There's no concealing that fact.

DR. CRAWFORD: You did have an opportunity to get to know Dr. Arthur Morgan to some degree, I believe.

SUTHERLAND: Yes, I did. I thought he was a great idealist and probably not a person with whose views I would agree, generally, but I have great respect for him as an idealist. What he would have done with TVA without Lilienthal I think is, well, it wouldn't have been nearly the success if it had just been the idealist at the head of this without the practical person like Lilienthal. Whether it would have prospered as it did is not a real question, I guess.

DR. CRAWFORD: Perhaps they complemented one another.

SUTHERLAND: They were at each other's throats sometimes, but they may very well have complemented each other.

DR. CRAWFORD: Were you associated with Dr. Morgan in any of his work in Washington?

SUTHERLAND: Not any, really, except the one I told you . . .



where President Roosevelt had written on a pad the people he wanted to get together to discuss the budget in the spring of '34. Morgan called me to come over and see him right away where he was working at the Smithsonian. So I came over and found out what he wanted to know is what I thought about his having a photostat of this note made and sent around to these people like the Secretary of the Treasury, the head of the budget, Mr. Ickes, and one or two other people. After fumbling around a little bit, I told him,

"It reminds me of the time I was ten years old and my father introduced me to a gentleman in his office, and I said something to the gentleman and then I said, 'Now that's the truth!'

"When my father got me alone he said, 'Now don't you ever let me hear you say to anybody that what you said is the truth; you let them assume that.'"

Dr. Morgan said, "That's very appropriate I think. I don't think it would be a good thing." (Laughter)

DR. CRAWFORD: So he sent his own invitation rather than the photostat?

SUTHERLAND: Yes.

DR. CRAWFORD: When did you decide that you were going to leave TVA and go back to Atlanta to practice?

SUTHERLAND: I'd worn myself out, and my wife was after me to leave, and it was no question. I knew I had to leave some time in the near future. I think it was obvious to the people there that this was too big a job for anybody to be handling on a part-time basis. With the intention of leaving,



they needed to set the thing up permanently. It was just sort of a mutual agreement; there was no problem about it.

DR. CRAWFORD: Were you satisfied with the arrangements you had made in the TVA legal staff at that time?

SUTHERLAND: Oh, you mean with the people I had gotten?

DR. CRAWFORD: Yes, and the situation in which you left them.

SUTHERLAND: Well, I don't know that I felt proud of the fact. I'm not sure that I felt that the thing was well staffed for any permanent or substantial length of time. I didn't feel badly about the people we did have. I thought things were running along all right.

DR. CRAWFORD: What do you consider your major accomplishments in the TVA service?

SUTHERLAND: Well, if I had any real accomplishments there, I'd want to get the details to know more about whether I am overestimating what I did. I thought that the real contribution I made was in connection with the condemnation of the large amounts of property we had to condemn in building these reservoirs. I was very anxious dealing with people of different economic conditions and different intelligence, different backgrounds. I was real anxious we should take this land on a fair basis, and we should just treat everybody fairly--those that were intelligent enough to protect themselves and those who weren't. I wanted it done on a basis that in our conscience we wouldn't feel that we had overpaid anybody and that we wouldn't feel that we had taken advantage of anybody because of their ignorance. I can't give you all the details of the system I set

up to protect against unfair treatment. I would like to try to get an outline of that, if I can, to include it in this interview, because my understanding is that this system worked so well that people did feel all the time that they were fairly treated. There was very little litigation about it, and there's no feeling on the part of anybody that we badly overpaid or underpaid anybody for the property we had to take.

If that's true, I would consider it a real service, because I have been very much displeased in some of the operations in government to find how much better cared for the people are who fight like hell and are represented by lawyers as compared with those who just take what the government hands out. Maybe it was an easier job in working out the condemnation of this land to bring about fair treatment than it is in some of the other government operations, which are probably more complicated. But in any event, that was the one thing I wanted to be sure of--that we treated everybody fairly. That was the point at which the TVA had the broadest contact with the people of the area, and I was determined, if I could, to see that it was on a fair basis.

DR. CRAWFORD: I believe that program has continued essentially as it was and has been used in the last few years to acquire the Land Between the Lakes area between the Cumberland and the Tennessee Rivers. Mr. Sutherland, are there any other major points that are involved in your tenure with TVA?

SUTHERLAND: I don't think so. Most of these things I have told you are quite unimportant and ought to be cut down. I'd be happy when you go over this to let me read it, but have

proof it as to anything you think could be left out without loss
of substance.











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